

RECORDATION NO. 12038

CRAVATH, SWAINE & MOORE

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JUL 25 1980 - 11 41 AM

ONE CHASE MANHATTAN PLAZA

NEW YORK, N. Y. 10005

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TELEX

RCA 233663

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INTERSTATE COMMERCE COMMISSION

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JUL 25 1980 - 11 40 AM

INTERSTATE COMMERCE COMMISSION

JUL 25 1980

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CC Washington

INTERSTATE COMMERCE COMMISSION

July 24, 1980

Chicago and North Western Transportation Company
Reconstruction and Conditional Sale Financing
13% Conditional Sale Indebtedness Due July 1, 1992

12038

JUL 25 1980 - 11 41 AM

INTERSTATE COMMERCE COMMISSION

Dear Ms. Mergenovich:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, enclosed for filing and recordation on behalf of Chicago and North Western Transportation Company are counterparts of the following:

(1) Reconstruction and Conditional Sale Agreement dated as of July 1, 1980, between Mercantile-Safe Deposit and Trust Company, as Agent, Chicago and North Western Transportation Company and The Connecticut Bank and Trust Company, as Trustee;

(2) Transfer Agreement dated as of July 1, 1980, between The Connecticut Bank and Trust Company, as Trustee, and Mercantile-Safe Deposit and Trust Company, as Agent;

(3) (a) Lease of Railroad Equipment dated as of July 1, 1980, between Chicago and North Western Transportation Company and The Connecticut Bank and Trust Company, as Trustee;

(b) Assignment of Lease and Agreement dated

Handwritten signatures and notes:
New number
A
B
C
D next page
Cousins
Tony M. Cousins

as of July 1, 1980, between The Connecticut Bank and Trust Company, as Trustee, and Mercantile-Safe Deposit and Trust Company, as Agent; and

-D

(4) Hulk Purchase Agreement dated as of July 1, 1980, between The Connecticut Bank and Trust Company, as Trustee, and Chicago and North Western Transportation Company.

The addresses of the parties to the above documents are:

Vendee-Lessor-Buyer:

The Connecticut Bank and Trust Company
One Constitution Plaza
Hartford, Connecticut 06115

Builder-Lessee-Seller:

Chicago and North Western Transportation Company
400 West Madison Street
Chicago, Illinois 60606

Vendor-Agent:

Mercantile-Safe Deposit and Trust Company
Two Hopkins Plaza
Baltimore, Maryland 21203

Please file and record the above documents and index them under the names of the Vendee-Lessor-Buyer, the Builder-Lessee-Seller and the Vendor-Agent.

The equipment covered by the above documents consists of the following:

16 GP 7 locomotives, bearing Railroad Road Numbers CNW 1530, CNW 1536, CNW 1538, CNW 1542, CNW 1545, CNW 1557, CNW 1566, CNW 1571, CNW 1572, CNW 1575, CNW 1578, CNW 1589, CNW 1598, CNW 1626, CNW 1650 and CNW 1656 (to be renumbered CNW 4284-CNW 4299, both inclusive); and

4 GP 9 locomotives, bearing Railroad Road Numbers CNW 1748, CNW 1749, CNW 1764 and CNW 1768 (to be renumbered CNW 4546-CNW 4549, both inclusive).

Enclosed also is our check in the amount of \$200 for the required recordation fee. Please stamp all copies of the enclosed documents with your recordation number, retain one copy of each for your files and return the remaining copies to me.

Thank you for your assistance.

Sincerely,



Jacqueline B. Goodyear

As Agent for Chicago and North
Western Transportation Company

Ms. Agatha Mergenovich,
Interstate Commerce Commission,
Washington, D.C. 20423

Encl.

ZZ

12038 - P

RECORDATION NO. Filed & Recorded

JUL 25 1980 - 10 40 AM

INTERSTATE COMMERCE COMMISSION

[CS&M Ref. 2043-985]

HULK PURCHASE AGREEMENT

Dated as of July 1, 1980

Between

THE CONNECTICUT BANK AND TRUST COMPANY,
not in its individual capacity but
solely as Trustee,

and

CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY.

HULK PURCHASE AGREEMENT dated as of July 1, 1980, between THE CONNECTICUT BANK AND TRUST COMPANY, a Connecticut banking corporation, not in its individual capacity but solely as trustee (the "Buyer") under a Trust Agreement dated as of the date hereof (the "Trust Agreement") with INGERSOLL-RAND FINANCIAL CORPORATION (the "Owner"), CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation (the "Seller"), and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland banking corporation, not in its individual capacity but solely as agent (the "Agent") under a Participation Agreement dated as of the date hereof (the "Participation Agreement").

The Seller owns the used railroad equipment described in Annex I hereto (the "Hulks"). The Seller will sell the Hulks and the Buyer will purchase the Hulks for the purchase price set forth in Annex I hereto (the "Hulk Purchase Price"). The Buyer will grant to the Agent security title in the Hulks pursuant to a Transfer Agreement dated as of the date hereof (the "Transfer Agreement"). The Hulks will be redelivered to the Seller for reconstruction in accordance with a Reconstruction and Conditional Sale Agreement dated as of the date hereof (the "RCSA") between the parties hereto. The Agent will transfer its interest in the units to the Buyer upon completion of reconstruction, reserving a security interest therein.

In consideration of the agreements herein-after set forth, the parties hereto agree as follows:

1. Delivery of Hulks. The Seller will from time to time deliver the Hulks to an authorized representative of the Buyer at such point or points within the United States of America as shall be specified by the Seller. The Buyer hereby appoints the Seller (and any agent or employee thereof designated by the Seller) as its agent for acceptance of the Hulks; provided, however, that the Seller is not authorized to accept delivery of any Hulk (i) that cannot be reconstructed in accordance with the specifications provided in the RCSA on or before December 31, 1980; (ii) after written notice from the Buyer that such authority has been terminated; or (iii) if the Purchase Price (as defined in the RCSA) of such Hulk (when reconstructed)

when added to the Purchase Price of those Hulks (when reconstructed) previously accepted would exceed the Maximum Purchase Price specified in Article 3 of the RCSA. The sale and delivery of the Hulks pursuant to this Agreement shall commence as soon as practicable and shall be completed on or before October 15, 1980.

2. Noncompleted Hulks; Insurance; Casualty Payments. The Seller represents and warrants that it is economically feasible to reconstruct each Hulk delivered and accepted under this Agreement in accordance with the specifications provided in the RCSA. If, on October 15, 1980, the Seller determines with regard to any Hulk as to which reconstruction has not commenced that it is not economically feasible to reconstruct such Hulk on or before March 15, 1981, in accordance with the specifications provided in the RCSA, the Seller agrees to purchase such Hulk on October 15, 1980, at a price equal to the Hulk Purchase Price of such Hulk plus interest thereon at the higher of 13% per annum or the rate charged by Citibank, N.A., from time to time to its prime commercial borrowers for loans of 90-day maturities (the "Prime Rate") from the Hulk Purchase Date to such date. If any Hulks (other than any Hulks purchased by the Seller on October 15, 1980, in accordance with this Section) are not reconstructed and accepted pursuant to the RCSA on or before March 15, 1981 (the "Noncompleted Hulks"), the Seller agrees, as agent for the Buyer, to sell the Noncompleted Hulks to a party other than the Seller or any affiliate of the Seller, on or before May 15, 1981, at the highest cash price obtainable on an "as is, where is and with all faults" basis. On May 15, 1981, the Seller will pay to the Buyer the net proceeds from such sale (after retaining its reasonable reconstruction expenses incurred to March 15, 1981, plus reasonable overhead and profit). The Buyer agrees to furnish to the Seller all such bills of sale, without recourse or warranty, to enable the Seller to effect the sale of the Noncompleted Hulks for the account of the Buyer as aforesaid.

The Seller will, at all times until completed units are delivered and accepted under the RCSA, at its own expense, cause to be carried and maintained property insurance in respect of the Hulks; provided, however, that the Seller may self-insure such Hulks to the extent it self-insures similar equipment under reconstruction and to the extent such self-insurance is consistent with prudent industry practice. In the event that any Hulk is irreparably destroyed by fire, flood or other similar event, the Seller shall pay to the Buyer a casualty payment in the amount of the Hulk Purchase

Price of such Hulk plus interest thereon at the higher of 13% per annum or the Prime Rate from the Hulk Purchase Date to the date of payment, and upon making such casualty payment such Hulk shall be excluded from this Agreement without further liability on the part of the Seller or the Buyer with respect to such Hulk, and the Buyer will furnish to the Seller any necessary instrument to transfer its interest in such Hulk to the Seller. Provided that the Seller has made such casualty payment to the Buyer, it shall be entitled to retain any insurance proceeds paid in respect of such Hulk to the extent of such payment and shall pay any excess to the Seller.

3. No Acceptance upon Default. Notwithstanding anything to the contrary contained herein, the Buyer shall have no obligation to accept any Hulk which is delivered hereunder after (i) any event of default as defined in Section 14.01 of the RCSA or any event (including the commencement of any proceeding or the filing of any petition of the nature specified in subsections (c) and (d) thereof) which with lapse of time, failure to take affirmative action and/or demand could constitute an event of default thereunder shall have occurred or (ii) the Buyer shall have delivered written notice to the Seller that any of the conditions contained in Paragraph 8 of the Participation Agreement have not been met or waived.

4. Payment of Purchase Price. In consideration of the execution and delivery of the Transfer Agreement by the Buyer, the Agent will pay to the Seller the Hulk Purchase Price of the Hulks on July 15, 1980, or on such other date as the Hulks are validly accepted hereunder (the "Hulk Purchase Date"), from the amounts available to the Agent from the Interim Investor (as defined in the Participation Agreement) pursuant to the terms of the Participation Agreement (the "Interim Hulk Payment") and the down payment equal to 22.00416% of the Hulk Purchase Price to be paid to the Agent by the Buyer (the "Equity Hulk Payment"), provided that there shall have been delivered to the Agent and the Buyer the following documents:

(a) the bill or bills of sale with respect to such Hulks (the "Bill of Sale"), dated as of the Hulk Purchase Date, setting forth the quantity, description, the Seller's identifying numbers and place of delivery of such Hulks and transferring title to such Hulks and warranting that at the date thereof the Seller had legal title to such Hulks and good and lawful right to sell the same and that title to such Hulks was free of all claims, liens, security interests, security title and other encumbrances of any nature whatsoever;

(b) a certificate or certificates of acceptance (the "Hulk Certificate of Acceptance") signed by the Buyer's authorized representative, stating that the Hulks in such group have been delivered to and accepted on behalf of the Buyer;

(c) the Seller's invoice (the "Hulk Invoice") for such Hulks, setting forth the Hulk Purchase Price thereof; and

(d) a written opinion of counsel for the Seller dated the date of the Bill of Sale, addressed to the Buyer and the Agent and stating that the Bill of Sale is valid and effective to transfer and does transfer the Seller's title to such Hulks to the Buyer, and that on such date title to such Hulks was free of all claims, liens, security interests and other encumbrances of the Seller or anyone claiming through the Seller.

The Seller will give to the Buyer and the Agent notice of the payments to be made at least three days prior to the Hulk Purchase Date.

5. Payment to Agent upon Noncompletion of Hulks.

The Buyer will pay to the Agent for the account of the Interim Investor an amount equal to the Interim Hulk Payment with respect to any Hulk purchased on October 15, 1980, by the Seller in accordance with Section 2 hereof and for any Noncompleted Hulk, plus interest thereon at the higher of 13% per annum or the Prime Rate from the Hulk Purchase Date to the date of such payment, payable on the respective dates that payment is due to the Buyer pursuant to Section 2 hereof. Upon such payment, the Agent will furnish the Buyer, at the Buyer's expense, all necessary instruments to transfer its security title in the Hulks to the Buyer.

6. Assignment by Buyer. The Buyer may assign any or all of its rights under this Agreement and/or any or all of its rights to possession of any of the Hulks. Any such assignment may be made by the Buyer without the assignee assuming any of the obligations of the Buyer hereunder. The Buyer and the Seller acknowledge that such assignment is contemplated. All of the rights of the Buyer hereunder shall inure to the benefit of the Buyer's assigns.

7. Liabilities of Parties. Notwithstanding the delivery of any Bill of Sale hereunder, the Seller agrees that all responsibility with respect to any Hulk covered by such Bill of Sale, its use and operation and risk of loss thereof shall remain with the Seller until such Hulk is delivered to and accepted by the authorized representative of the Buyer, and the Seller agrees to indemnify and hold the Buyer (in both its individual and fiduciary capacities) harmless from any claim made against the Buyer solely by reason of the transfer of title to the Hulks or with respect to the validity of such title, free from all claims, liens, security interests, security title or other encumbrances of any nature other than those of the Buyer at the time of such delivery and acceptance. Upon such delivery and acceptance, all responsibility and risk of loss with respect to such Hulk shall pass to the Buyer (except as provided in Section 2 hereof). As of the date of such delivery and acceptance, the Buyer shall be unconditionally obligated to purchase such Hulk, without any right to a reduction in or setoff against the price thereof by reason of any past, present or future claims against the Seller under this Agreement, the RCSA, the Participation Agreement, the Lease (as defined in the Participation Agreement) or otherwise.

8. Representations of Seller. The Seller hereby represents and warrants to the Buyer, its successors and assigns, that this Agreement was duly authorized by it and lawfully executed and delivered for a valid consideration. Annex I and the footnotes thereto are an integral part of this Agreement and are incorporated by reference herein.

9. Limitation of Buyer Liability. Notwithstanding anything herein to the contrary, the representations, warranties, undertakings and agreements herein made on the part of the Buyer are made and intended not as personal representations, warranties, undertakings and agreements by The Connecticut Bank and Trust Company or for the purpose or with the intention of binding said bank personally but are made and intended for the purpose of binding only the Trust Estate (as such term is used in the Trust Agreement), and this Agreement is executed and delivered by said bank not in its own right but solely in the exercise of the powers expressly conferred upon it as trustee under the Trust Agreement; and except in the case of wilful misconduct or gross negligence by said bank, no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said bank or the Owner

hereunder (except, with respect to the Owner, pursuant to Section 1.03 and the last paragraph of Section 5.01 of the Trust Agreement) on account of this Agreement or the Trust Agreement or on account of any representation, warranty, undertaking or agreement of said bank or the Owner hereunder, either expressed or implied, all such personal liability (except as aforesaid), if any, being expressly waived and released by the Seller and by all persons claiming by, through or under the Seller.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

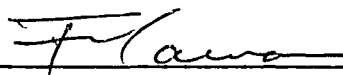
11. Execution. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single instrument. Although for convenience this Agreement is dated as of the date first set forth above, the actual dates of execution hereof are the dates stated in the acknowledgments hereto.

12. Headings. Section headings have been provided for convenience only and do not form part of this instrument.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by duly authorized officers as of the date first set forth above.

THE CONNECTICUT BANK AND TRUST
COMPANY, not in its individual
capacity but solely as Trustee,

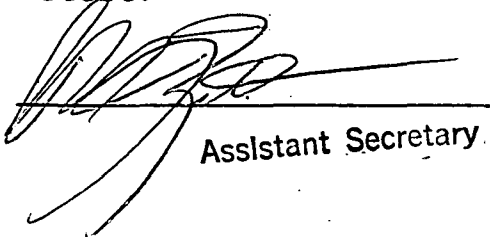
by



VICE PRESIDENT

[Corporate Seal]

Attest:


Assistant Secretary

CHICAGO AND NORTH WESTERN
TRANSPORTATION COMPANY,

by

Senior Vice President

[Corporate Seal]

Attest:

Assistant Secretary

MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY, as Agent,

by

Assistant Vice President

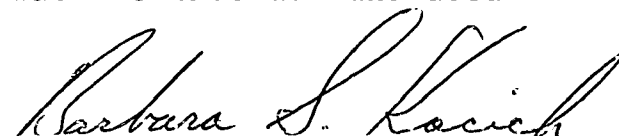
[Corporate Seal]

Attest:

Corporate Trust Officer

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF HARTFORD,)

On this 23rd day of July 1980, before me personally appeared **E. W. KAWAM**, to me personally known, who, being by me duly sworn, says that he is **VICE PRESIDENT** of THE CONNECTICUT BANK AND TRUST COMPANY, a Connecticut banking corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.


Notary Public

[Notarial Seal]

My Commission Expires

BARBARA S. KACICH
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1982

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of July 1980, before me personally appeared John M. Butler, to me personally known, who, being by me duly sworn, says that he is a Senior Vice President of CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that such instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission Expires

STATE OF MARYLAND,)
) SS.:
CITY OF BALTIMORE,)

On this day of July 1980, before me personally appeared Russell E. Schreiber, to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland banking corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission Expires

Hulk Purchase Agreement

ANNEX I

<u>Quantity</u>	<u>Description</u>	<u>Railroad Road Numbers</u>	<u>Hulk Purchase Price</u>	
			<u>Per Unit</u>	<u>Total</u>
16	GP-7 Locomotives	CNW 1530 1536 1538 1542 1545 1557 1566 1571 1572 1575 1578 1589 1598 1626 1650 1656	\$70,000	\$1,120,000
4	GP-9 Locomotives	1748 1749 1764 1768	70,000	280,000 <u>\$1,400,000</u>

HULK PURCHASE AGREEMENT

Dated as of July 1, 1980

Between

THE CONNECTICUT BANK AND TRUST COMPANY,
not in its individual capacity but
solely as Trustee,

and

CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY.

HULK PURCHASE AGREEMENT dated as of July 1, 1980, between THE CONNECTICUT BANK AND TRUST COMPANY, a Connecticut banking corporation, not in its individual capacity but solely as trustee (the "Buyer") under a Trust Agreement dated as of the date hereof (the "Trust Agreement") with INGERSOLL-RAND FINANCIAL CORPORATION (the "Owner"), CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation (the "Seller"), and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland banking corporation, not in its individual capacity but solely as agent (the "Agent") under a Participation Agreement dated as of the date hereof (the "Participation Agreement").

The Seller owns the used railroad equipment described in Annex I hereto (the "Hulks"). The Seller will sell the Hulks and the Buyer will purchase the Hulks for the purchase price set forth in Annex I hereto (the "Hulk Purchase Price"). The Buyer will grant to the Agent security title in the Hulks pursuant to a Transfer Agreement dated as of the date hereof (the "Transfer Agreement"). The Hulks will be redelivered to the Seller for reconstruction in accordance with a Reconstruction and Conditional Sale Agreement dated as of the date hereof (the "RCSA") between the parties hereto. The Agent will transfer its interest in the units to the Buyer upon completion of reconstruction, reserving a security interest therein.

In consideration of the agreements herein-after set forth, the parties hereto agree as follows:

1. Delivery of Hulks. The Seller will from time to time deliver the Hulks to an authorized representative of the Buyer at such point or points within the United States of America as shall be specified by the Seller. The Buyer hereby appoints the Seller (and any agent or employee thereof designated by the Seller) as its agent for acceptance of the Hulks; provided, however, that the Seller is not authorized to accept delivery of any Hulk (i) that cannot be reconstructed in accordance with the specifications provided in the RCSA on or before December 31, 1980; (ii) after written notice from the Buyer that such authority has been terminated; or (iii) if the Purchase Price (as defined in the RCSA) of such Hulk (when reconstructed)

when added to the Purchase Price of those Hulks (when reconstructed) previously accepted would exceed the Maximum Purchase Price specified in Article 3 of the RCSA. The sale and delivery of the Hulks pursuant to this Agreement shall commence as soon as practicable and shall be completed on or before October 15, 1980.

2. Noncompleted Hulks; Insurance; Casualty Payments. The Seller represents and warrants that it is economically feasible to reconstruct each Hulk delivered and accepted under this Agreement in accordance with the specifications provided in the RCSA. If, on October 15, 1980, the Seller determines with regard to any Hulk as to which reconstruction has not commenced that it is not economically feasible to reconstruct such Hulk on or before March 15, 1981, in accordance with the specifications provided in the RCSA, the Seller agrees to purchase such Hulk on October 15, 1980, at a price equal to the Hulk Purchase Price of such Hulk plus interest thereon at the higher of 13% per annum or the rate charged by Citibank, N.A., from time to time to its prime commercial borrowers for loans of 90-day maturities (the "Prime Rate") from the Hulk Purchase Date to such date. If any Hulks (other than any Hulks purchased by the Seller on October 15, 1980, in accordance with this Section) are not reconstructed and accepted pursuant to the RCSA on or before March 15, 1981 (the "Noncompleted Hulks"), the Seller agrees, as agent for the Buyer, to sell the Noncompleted Hulks to a party other than the Seller or any affiliate of the Seller, on or before May 15, 1981, at the highest cash price obtainable on an "as is, where is and with all faults" basis. On May 15, 1981, the Seller will pay to the Buyer the net proceeds from such sale (after retaining its reasonable reconstruction expenses incurred to March 15, 1981, plus reasonable overhead and profit). The Buyer agrees to furnish to the Seller all such bills of sale, without recourse or warranty, to enable the Seller to effect the sale of the Noncompleted Hulks for the account of the Buyer as aforesaid.

The Seller will, at all times until completed units are delivered and accepted under the RCSA, at its own expense, cause to be carried and maintained property insurance in respect of the Hulks; provided, however, that the Seller may self-insure such Hulks to the extent it self-insures similar equipment under reconstruction and to the extent such self-insurance is consistent with prudent industry practice. In the event that any Hulk is irreparably destroyed by fire, flood or other similar event, the Seller shall pay to the Buyer a casualty payment in the amount of the Hulk Purchase

Price of such Hulk plus interest thereon at the higher of 13% per annum or the Prime Rate from the Hulk Purchase Date to the date of payment, and upon making such casualty payment such Hulk shall be excluded from this Agreement without further liability on the part of the Seller or the Buyer with respect to such Hulk, and the Buyer will furnish to the Seller any necessary instrument to transfer its interest in such Hulk to the Seller. Provided that the Seller has made such casualty payment to the Buyer, it shall be entitled to retain any insurance proceeds paid in respect of such Hulk to the extent of such payment and shall pay any excess to the Seller.

3. No Acceptance upon Default. Notwithstanding anything to the contrary contained herein, the Buyer shall have no obligation to accept any Hulk which is delivered hereunder after (i) any event of default as defined in Section 14.01 of the RCSA or any event (including the commencement of any proceeding or the filing of any petition of the nature specified in subsections (c) and (d) thereof) which with lapse of time, failure to take affirmative action and/or demand could constitute an event of default thereunder shall have occurred or (ii) the Buyer shall have delivered written notice to the Seller that any of the conditions contained in Paragraph 8 of the Participation Agreement have not been met or waived.

4. Payment of Purchase Price. In consideration of the execution and delivery of the Transfer Agreement by the Buyer, the Agent will pay to the Seller the Hulk Purchase Price of the Hulks on July 15, 1980, or on such other date as the Hulks are validly accepted hereunder (the "Hulk Purchase Date"), from the amounts available to the Agent from the Interim Investor (as defined in the Participation Agreement) pursuant to the terms of the Participation Agreement (the "Interim Hulk Payment") and the down payment equal to 22.00416% of the Hulk Purchase Price to be paid to the Agent by the Buyer (the "Equity Hulk Payment"), provided that there shall have been delivered to the Agent and the Buyer the following documents:

(a) the bill or bills of sale with respect to such Hulks (the "Bill of Sale"), dated as of the Hulk Purchase Date, setting forth the quantity, description, the Seller's identifying numbers and place of delivery of such Hulks and transferring title to such Hulks and warranting that at the date thereof the Seller had legal title to such Hulks and good and lawful right to sell the same and that title to such Hulks was free of all claims, liens, security interests, security title and other encumbrances of any nature whatsoever;

(b) a certificate or certificates of acceptance (the "Hulk Certificate of Acceptance") signed by the Buyer's authorized representative, stating that the Hulks in such group have been delivered to and accepted on behalf of the Buyer;

(c) the Seller's invoice (the "Hulk Invoice") for such Hulks, setting forth the Hulk Purchase Price thereof; and

(d) a written opinion of counsel for the Seller dated the date of the Bill of Sale, addressed to the Buyer and the Agent and stating that the Bill of Sale is valid and effective to transfer and does transfer the Seller's title to such Hulks to the Buyer, and that on such date title to such Hulks was free of all claims, liens, security interests and other encumbrances of the Seller or anyone claiming through the Seller.

The Seller will give to the Buyer and the Agent notice of the payments to be made at least three days prior to the Hulk Purchase Date.

5. Payment to Agent upon Noncompletion of Hulks. The Buyer will pay to the Agent for the account of the Interim Investor an amount equal to the Interim Hulk Payment with respect to any Hulk purchased on October 15, 1980, by the Seller in accordance with Section 2 hereof and for any Noncompleted Hulk, plus interest thereon at the higher of 13% per annum or the Prime Rate from the Hulk Purchase Date to the date of such payment, payable on the respective dates that payment is due to the Buyer pursuant to Section 2 hereof. Upon such payment, the Agent will furnish the Buyer, at the Buyer's expense, all necessary instruments to transfer its security title in the Hulks to the Buyer.

6. Assignment by Buyer. The Buyer may assign any or all of its rights under this Agreement and/or any or all of its rights to possession of any of the Hulks. Any such assignment may be made by the Buyer without the assignee assuming any of the obligations of the Buyer hereunder. The Buyer and the Seller acknowledge that such assignment is contemplated. All of the rights of the Buyer hereunder shall inure to the benefit of the Buyer's assigns.

7. Liabilities of Parties. Notwithstanding the delivery of any Bill of Sale hereunder, the Seller agrees that all responsibility with respect to any Hulk covered by such Bill of Sale, its use and operation and risk of loss thereof shall remain with the Seller until such Hulk is delivered to and accepted by the authorized representative of the Buyer, and the Seller agrees to indemnify and hold the Buyer (in both its individual and fiduciary capacities) harmless from any claim made against the Buyer solely by reason of the transfer of title to the Hulks or with respect to the validity of such title, free from all claims, liens, security interests, security title or other encumbrances of any nature other than those of the Buyer at the time of such delivery and acceptance. Upon such delivery and acceptance, all responsibility and risk of loss with respect to such Hulk shall pass to the Buyer (except as provided in Section 2 hereof). As of the date of such delivery and acceptance, the Buyer shall be unconditionally obligated to purchase such Hulk, without any right to a reduction in or setoff against the price thereof by reason of any past, present or future claims against the Seller under this Agreement, the RCSA, the Participation Agreement, the Lease (as defined in the Participation Agreement) or otherwise.

8. Representations of Seller. The Seller hereby represents and warrants to the Buyer, its successors and assigns, that this Agreement was duly authorized by it and lawfully executed and delivered for a valid consideration. Annex I and the footnotes thereto are an integral part of this Agreement and are incorporated by reference herein.

9. Limitation of Buyer Liability. Notwithstanding anything herein to the contrary, the representations, warranties, undertakings and agreements herein made on the part of the Buyer are made and intended not as personal representations, warranties, undertakings and agreements by The Connecticut Bank and Trust Company or for the purpose or with the intention of binding said bank personally but are made and intended for the purpose of binding only the Trust Estate (as such term is used in the Trust Agreement), and this Agreement is executed and delivered by said bank not in its own right but solely in the exercise of the powers expressly conferred upon it as trustee under the Trust Agreement; and except in the case of wilful misconduct or gross negligence by said bank, no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said bank or the Owner

hereunder (except, with respect to the Owner, pursuant to Section 1.03 and the last paragraph of Section 5.01 of the Trust Agreement) on account of this Agreement or the Trust Agreement or on account of any representation, warranty, undertaking or agreement of said bank or the Owner hereunder, either expressed or implied, all such personal liability (except as aforesaid), if any, being expressly waived and released by the Seller and by all persons claiming by, through or under the Seller.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

11. Execution. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single instrument. Although for convenience this Agreement is dated as of the date first set forth above, the actual dates of execution hereof are the dates stated in the acknowledgments hereto.

12. Headings. Section headings have been provided for convenience only and do not form part of this instrument.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by duly authorized officers as of the date first set forth above.

THE CONNECTICUT BANK AND TRUST
COMPANY, not in its individual
capacity but solely as Trustee,

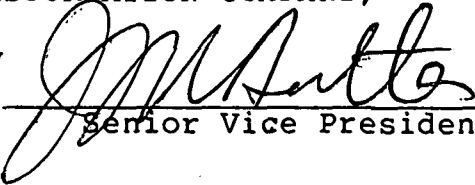
by

[Corporate Seal]

Attest:

CHICAGO AND NORTH WESTERN
TRANSPORTATION COMPANY,

by


Senior Vice President

[Corporate Seal]

Attest:


Assistant Secretary

MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY, as Agent,

by

Assistant Vice President

[Corporate Seal]

Attest:

Corporate Trust Officer

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF HARTFORD,)

On this day of July 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is of THE CONNECTICUT BANK AND TRUST COMPANY, a Connecticut banking corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission Expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 23 day of July 1980, before me personally appeared John M. Butler, to me personally known, who, being by me duly sworn, says that he is a Senior Vice President of CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that such instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Lee Swiontek
Notary Public

[Notarial Seal]

My Commission Expires

LEE SWIONTEK

Notary Public

Cook Co., Illinois

My Commission Expires Oct. 27, 1980

HP-8

STATE OF MARYLAND,)
) ss.:
CITY OF BALTIMORE,)

On this day of July 1980, before me personally appeared Russell E. Schreiber, to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland banking corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission Expires

Hulk Purchase Agreement

ANNEX I

<u>Quantity</u>	<u>Description</u>	<u>Railroad Road Numbers</u>	<u>Hulk Purchase Price</u>	
			<u>Per Unit</u>	<u>Total</u>
16	GP-7 Locomotives	CNW 1530 1536 1538 1542 1545 1557 1566 1571 1572 1575 1578 1589 1598 1626 1650 1656	\$70,000	\$1,120,000
4	GP-9 Locomotives	1748 1749 1764 1768	70,000	<u>280,000</u> \$1,400,000

HULK PURCHASE AGREEMENT

Dated as of July 1, 1980

Between

THE CONNECTICUT BANK AND TRUST COMPANY,
not in its individual capacity but
solely as Trustee,

and

CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY.

HULK PURCHASE AGREEMENT dated as of July 1, 1980, between THE CONNECTICUT BANK AND TRUST COMPANY, a Connecticut banking corporation, not in its individual capacity but solely as trustee (the "Buyer") under a Trust Agreement dated as of the date hereof (the "Trust Agreement") with INGERSOLL-RAND FINANCIAL CORPORATION (the "Owner"), CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation (the "Seller"), and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland banking corporation, not in its individual capacity but solely as agent (the "Agent") under a Participation Agreement dated as of the date hereof (the "Participation Agreement").

The Seller owns the used railroad equipment described in Annex I hereto (the "Hulks"). The Seller will sell the Hulks and the Buyer will purchase the Hulks for the purchase price set forth in Annex I hereto (the "Hulk Purchase Price"). The Buyer will grant to the Agent security title in the Hulks pursuant to a Transfer Agreement dated as of the date hereof (the "Transfer Agreement"). The Hulks will be redelivered to the Seller for reconstruction in accordance with a Reconstruction and Conditional Sale Agreement dated as of the date hereof (the "RCSA") between the parties hereto. The Agent will transfer its interest in the units to the Buyer upon completion of reconstruction, reserving a security interest therein.

In consideration of the agreements herein-after set forth, the parties hereto agree as follows:

1. Delivery of Hulks. The Seller will from time to time deliver the Hulks to an authorized representative of the Buyer at such point or points within the United States of America as shall be specified by the Seller. The Buyer hereby appoints the Seller (and any agent or employee thereof designated by the Seller) as its agent for acceptance of the Hulks; provided, however, that the Seller is not authorized to accept delivery of any Hulk (i) that cannot be reconstructed in accordance with the specifications provided in the RCSA on or before December 31, 1980; (ii) after written notice from the Buyer that such authority has been terminated; or (iii) if the Purchase Price (as defined in the RCSA) of such Hulk (when reconstructed)

when added to the Purchase Price of those Hulks (when reconstructed) previously accepted would exceed the Maximum Purchase Price specified in Article 3 of the RCSA. The sale and delivery of the Hulks pursuant to this Agreement shall commence as soon as practicable and shall be completed on or before October 15, 1980.

2. Noncompleted Hulks; Insurance; Casualty Payments. The Seller represents and warrants that it is economically feasible to reconstruct each Hulk delivered and accepted under this Agreement in accordance with the specifications provided in the RCSA. If, on October 15, 1980, the Seller determines with regard to any Hulk as to which reconstruction has not commenced that it is not economically feasible to reconstruct such Hulk on or before March 15, 1981, in accordance with the specifications provided in the RCSA, the Seller agrees to purchase such Hulk on October 15, 1980, at a price equal to the Hulk Purchase Price of such Hulk plus interest thereon at the higher of 13% per annum or the rate charged by Citibank, N.A., from time to time to its prime commercial borrowers for loans of 90-day maturities (the "Prime Rate") from the Hulk Purchase Date to such date. If any Hulks (other than any Hulks purchased by the Seller on October 15, 1980, in accordance with this Section) are not reconstructed and accepted pursuant to the RCSA on or before March 15, 1981 (the "Noncompleted Hulks"), the Seller agrees, as agent for the Buyer, to sell the Noncompleted Hulks to a party other than the Seller or any affiliate of the Seller, on or before May 15, 1981, at the highest cash price obtainable on an "as is, where is and with all faults" basis. On May 15, 1981, the Seller will pay to the Buyer the net proceeds from such sale (after retaining its reasonable reconstruction expenses incurred to March 15, 1981, plus reasonable overhead and profit). The Buyer agrees to furnish to the Seller all such bills of sale, without recourse or warranty, to enable the Seller to effect the sale of the Noncompleted Hulks for the account of the Buyer as aforesaid.

The Seller will, at all times until completed units are delivered and accepted under the RCSA, at its own expense, cause to be carried and maintained property insurance in respect of the Hulks; provided, however, that the Seller may self-insure such Hulks to the extent it self-insures similar equipment under reconstruction and to the extent such self-insurance is consistent with prudent industry practice. In the event that any Hulk is irreparably destroyed by fire, flood or other similar event, the Seller shall pay to the Buyer a casualty payment in the amount of the Hulk Purchase

Price of such Hulk plus interest thereon at the higher of 13% per annum or the Prime Rate from the Hulk Purchase Date to the date of payment, and upon making such casualty payment such Hulk shall be excluded from this Agreement without further liability on the part of the Seller or the Buyer with respect to such Hulk, and the Buyer will furnish to the Seller any necessary instrument to transfer its interest in such Hulk to the Seller. Provided that the Seller has made such casualty payment to the Buyer, it shall be entitled to retain any insurance proceeds paid in respect of such Hulk to the extent of such payment and shall pay any excess to the Seller.

3. No Acceptance upon Default. Notwithstanding anything to the contrary contained herein, the Buyer shall have no obligation to accept any Hulk which is delivered hereunder after (i) any event of default as defined in Section 14.01 of the RCSA or any event (including the commencement of any proceeding or the filing of any petition of the nature specified in subsections (c) and (d) thereof) which with lapse of time, failure to take affirmative action and/or demand could constitute an event of default thereunder shall have occurred or (ii) the Buyer shall have delivered written notice to the Seller that any of the conditions contained in Paragraph 8 of the Participation Agreement have not been met or waived.

4. Payment of Purchase Price. In consideration of the execution and delivery of the Transfer Agreement by the Buyer, the Agent will pay to the Seller the Hulk Purchase Price of the Hulks on July 15, 1980, or on such other date as the Hulks are validly accepted hereunder (the "Hulk Purchase Date"), from the amounts available to the Agent from the Interim Investor (as defined in the Participation Agreement) pursuant to the terms of the Participation Agreement (the "Interim Hulk Payment") and the down payment equal to 22.00416% of the Hulk Purchase Price to be paid to the Agent by the Buyer (the "Equity Hulk Payment"), provided that there shall have been delivered to the Agent and the Buyer the following documents:

(a) the bill or bills of sale with respect to such Hulks (the "Bill of Sale"), dated as of the Hulk Purchase Date, setting forth the quantity, description, the Seller's identifying numbers and place of delivery of such Hulks and transferring title to such Hulks and warranting that at the date thereof the Seller had legal title to such Hulks and good and lawful right to sell the same and that title to such Hulks was free of all claims, liens, security interests, security title and other encumbrances of any nature whatsoever;

(b) a certificate or certificates of acceptance (the "Hulk Certificate of Acceptance") signed by the Buyer's authorized representative, stating that the Hulks in such group have been delivered to and accepted on behalf of the Buyer;

(c) the Seller's invoice (the "Hulk Invoice") for such Hulks, setting forth the Hulk Purchase Price thereof; and

(d) a written opinion of counsel for the Seller dated the date of the Bill of Sale, addressed to the Buyer and the Agent and stating that the Bill of Sale is valid and effective to transfer and does transfer the Seller's title to such Hulks to the Buyer, and that on such date title to such Hulks was free of all claims, liens, security interests and other encumbrances of the Seller or anyone claiming through the Seller.

The Seller will give to the Buyer and the Agent notice of the payments to be made at least three days prior to the Hulk Purchase Date.

5. Payment to Agent upon Noncompletion of Hulks. The Buyer will pay to the Agent for the account of the Interim Investor an amount equal to the Interim Hulk Payment with respect to any Hulk purchased on October 15, 1980, by the Seller in accordance with Section 2 hereof and for any Noncompleted Hulk, plus interest thereon at the higher of 13% per annum or the Prime Rate from the Hulk Purchase Date to the date of such payment, payable on the respective dates that payment is due to the Buyer pursuant to Section 2 hereof. Upon such payment, the Agent will furnish the Buyer, at the Buyer's expense, all necessary instruments to transfer its security title in the Hulks to the Buyer.

6. Assignment by Buyer. The Buyer may assign any or all of its rights under this Agreement and/or any or all of its rights to possession of any of the Hulks. Any such assignment may be made by the Buyer without the assignee assuming any of the obligations of the Buyer hereunder. The Buyer and the Seller acknowledge that such assignment is contemplated. All of the rights of the Buyer hereunder shall inure to the benefit of the Buyer's assigns.

7. Liabilities of Parties. Notwithstanding the delivery of any Bill of Sale hereunder, the Seller agrees that all responsibility with respect to any Hulk covered by such Bill of Sale, its use and operation and risk of loss thereof shall remain with the Seller until such Hulk is delivered to and accepted by the authorized representative of the Buyer, and the Seller agrees to indemnify and hold the Buyer (in both its individual and fiduciary capacities) harmless from any claim made against the Buyer solely by reason of the transfer of title to the Hulks or with respect to the validity of such title, free from all claims, liens, security interests, security title or other encumbrances of any nature other than those of the Buyer at the time of such delivery and acceptance. Upon such delivery and acceptance, all responsibility and risk of loss with respect to such Hulk shall pass to the Buyer (except as provided in Section 2 hereof). As of the date of such delivery and acceptance, the Buyer shall be unconditionally obligated to purchase such Hulk, without any right to a reduction in or setoff against the price thereof by reason of any past, present or future claims against the Seller under this Agreement, the RCSA, the Participation Agreement, the Lease (as defined in the Participation Agreement) or otherwise.

8. Representations of Seller. The Seller hereby represents and warrants to the Buyer, its successors and assigns, that this Agreement was duly authorized by it and lawfully executed and delivered for a valid consideration. Annex I and the footnotes thereto are an integral part of this Agreement and are incorporated by reference herein.

9. Limitation of Buyer Liability. Notwithstanding anything herein to the contrary, the representations, warranties, undertakings and agreements herein made on the part of the Buyer are made and intended not as personal representations, warranties, undertakings and agreements by The Connecticut Bank and Trust Company or for the purpose or with the intention of binding said bank personally but are made and intended for the purpose of binding only the Trust Estate (as such term is used in the Trust Agreement), and this Agreement is executed and delivered by said bank not in its own right but solely in the exercise of the powers expressly conferred upon it as trustee under the Trust Agreement; and except in the case of wilful misconduct or gross negligence by said bank, no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said bank or the Owner

hereunder (except, with respect to the Owner, pursuant to Section 1.03 and the last paragraph of Section 5.01 of the Trust Agreement) on account of this Agreement or the Trust Agreement or on account of any representation, warranty, undertaking or agreement of said bank or the Owner hereunder, either expressed or implied, all such personal liability (except as aforesaid), if any, being expressly waived and released by the Seller and by all persons claiming by, through or under the Seller.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

11. Execution. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single instrument. Although for convenience this Agreement is dated as of the date first set forth above, the actual dates of execution hereof are the dates stated in the acknowledgments hereto.

12. Headings. Section headings have been provided for convenience only and do not form part of this instrument.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by duly authorized officers as of the date first set forth above.

THE CONNECTICUT BANK AND TRUST
COMPANY, not in its individual
capacity but solely as Trustee,

by _____

[Corporate Seal]

Attest:

CHICAGO AND NORTH WESTERN
TRANSPORTATION COMPANY,

by

Senior Vice President


[Corporate Seal]

Attest:

Assistant Secretary

MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY, as Agent,

by



Assistant Vice President

[Corporate Seal]

Attest:



Corporate Trust Officer

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF HARTFORD,)

On this day of July 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is of THE CONNECTICUT BANK AND TRUST COMPANY, a Connecticut banking corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission Expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of July 1980, before me personally appeared John M. Butler, to me personally known, who, being by me duly sworn, says that he is a Senior Vice President of CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that such instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission Expires

STATE OF MARYLAND,)

) SS.:

CITY OF BALTIMORE,)

On this 23rd day of July 1980, before me personally appeared Russell E. Schreiber, to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland banking corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission Expires 7/1/82

Hulk Purchase Agreement

ANNEX I

<u>Quantity</u>	<u>Description</u>	<u>Railroad Road Numbers</u>	<u>Hulk Purchase Price</u>	
			<u>Per Unit</u>	<u>Total</u>
16	GP-7 Locomotives	CNW 1530 1536 1538 1542 1545 1557 1566 1571 1572 1575 1578 1589 1598 1626 1650 1656	\$70,000	\$1,120,000
4	GP-9 Locomotives	1748 1749 1764 1768	70,000	280,000 <u>\$1,400,000</u>